

1

ORDINANCE NO.

2 **AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY
3 OF AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE
4 REFUNDING BONDS, SERIES 2025.**

5 **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
6 AUSTIN:**

7 **SECTION 1: DEFINITIONS AND FINDINGS.** The following terms shall
8 have the meanings set forth below, unless the text specifically indicates otherwise:

9 “Bonds” means the “CITY OF AUSTIN, TEXAS, ELECTRIC UTILITY
10 SYSTEM REVENUE REFUNDING BONDS, SERIES 2025” authorized for
11 issuance by the Twenty-Third Supplement.

12 “Business Day” means a day other than a Sunday, Saturday, a legal holiday,
13 or a day on which banking institutions in the city where the Designated
14 Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by
15 law or executive order to close.

16 “Holders” means the registered owners or holders of the Bonds.

17 “Master Ordinance” means Ordinance No. 010118-53A, passed by the City
18 Council on January 18, 2001.

19 “Maximum Debt Service Requirement” means, as of the date of calculation,
20 an amount equal to the greatest Annual Debt Service Requirement for the current or
21 any future Fiscal Year for the Parity Electric Utility Obligations then outstanding at
22 the time the calculation is made.

23 “Paying Agent/Registrar” means the financial institution specified in the
24 Pricing Certificate.

25 “Previously Issued Electric Utility Obligations” mean the outstanding “CITY
26 OF AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING
27 BONDS, TAXABLE SERIES 2008”, dated March 1, 2008, “CITY OF AUSTIN,
28 TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS,
29 TAXABLE SERIES 2010B (Direct Subsidy-Build America Bonds)”, dated June 1,
30 2010, “CITY OF AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE

31 REFUNDING BONDS, SERIES 2012A”, dated December 1, 2012, “CITY OF
32 AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING
33 BONDS, TAXABLE SERIES 2012B”, dated December 1, 2012, “CITY OF
34 AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING
35 BONDS, SERIES 2015A”, dated May 1, 2015, “CITY OF AUSTIN, TEXAS,
36 ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS, TAXABLE
37 SERIES 2015B”, dated May 1, 2015, “CITY OF AUSTIN, TEXAS, ELECTRIC
38 UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2017”, dated
39 February 14, 2017, “CITY OF AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM
40 REVENUE BONDS, TAXABLE SERIES 2019A”, dated June 13, 2019, “CITY OF
41 AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING
42 BONDS, SERIES 2019B,” dated August 21, 2019, “CITY OF AUSTIN, TEXAS,
43 ELECTRIC UTILITY SYSTEM REVENUE REFUNDING AND
44 IMPROVEMENT BONDS, TAXABLE SERIES 2019C,” dated August 21, 2019,
45 “CITY OF AUSTIN, TEXAS ELECTRIC UTILITY SYSTEM REVENUE
46 REFUNDING AND IMPROVEMENT BONDS, SERIES 2020A,” dated November
47 17, 2020, CITY OF AUSTIN, TEXAS ELECTRIC UTILITY SYSTEM REVENUE
48 REFUNDING BONDS, TAXABLE SERIES 2020B,” dated November 17, 2020,
49 “CITY OF AUSTIN, TEXAS ELECTRIC UTILITY SYSTEM REVENUE
50 REFUNDING AND IMPROVEMENT BONDS, SERIES 2023,” dated May 17,
51 2023, and “CITY OF AUSTIN, TEXAS ELECTRIC UTILITY SYSTEM
52 REVENUE REFUNDING BONDS, SERIES 2024,” dated December 19, 2024.

53 “Prior Supplements” means Ordinances No. 20080228-078, 20100610-049,
54 20121108-070, 20121108-069, 20150423-032, 20150423-033, 20161006-14,
55 20190509-037, 20190619-080, 20190619-079, 20200917-058, 20200917-059,
56 20230323-006, 20241107-010 authorizing the issuance of the Previously Issued
57 Electric Utility Obligations.

58 “Refunded Bonds” means the principal amount of each maturity of the “CITY
59 OF AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING
60 BONDS, SERIES 2015A” identified by the Pricing Officer in the Pricing Certificate.

61 “Refunded Notes” means the principal amount of the Tax-Exempt Notes, as
62 specified in the Pricing Certificate.

63 “Refunded Obligations” means, collectively, the Refunded Bonds and the
64 Refunded Notes.

65 “Required Reserve Amount” means the total amount to be accumulated and
66 maintained in the Reserve Fund pursuant to the provisions of Section 14 of the
67 Twenty-Third Supplement and the provisions of any subsequent Supplement.

68 “Reserve Fund” means the “Electric Utility System Revenue Obligation
69 Reserve Fund” to be established and maintained pursuant to the Prior Supplements
70 and Section 14 of the Twenty-Third Supplement.

71 “Reserve Fund Obligations” means cash, Eligible Investments, any Credit
72 Facility, or any combination of cash, Eligible Investments or Credit Facility.

73 “Security Register” has the meaning given this term in Section 5 of the
74 Twenty-Third Supplement.

75 “Tax-Exempt Notes” means the City of Austin, Texas Combined Utility
76 Systems Tax-Exempt Program Notes, Commercial Paper Sub-Series, up to an
77 aggregate principal amount of \$600,000,000 to finance the costs of additions,
78 improvements and extensions to the City’s water and wastewater system and the
79 City’s electric light and power system.

80 “Twenty-Third Supplement” means Ordinance No. 20251023-____
81 authorizing the issuance of the Bonds and passed by the City Council on October
82 23, 2025.

83 The terms used in the Twenty-Third Supplement and not otherwise defined
84 shall have the meanings given in the Master Ordinance or the Prior Supplements.

85 In accordance with the provisions of Texas Government Code, Chapter 1207,
86 the City is authorized to issue refunding bonds and deposit the proceeds of sale
87 directly with any place of payment for the Refunded Obligations or other authorized
88 depository, and such deposit, when made in accordance with said statute, shall
89 constitute the making of firm banking and financial arrangements for the discharge
90 and final payment of the Refunded Obligations.

91 In accordance with the provisions of Texas Government Code, Chapter 1371,
92 the City has authorized by ordinance and provided for the issuance and sale of the
93 Tax-Exempt Notes and the refunding of the Tax-Exempt Notes for the purposes of
94 making such debt long-term fixed rate debt of the City and restructuring the debt
95 payable from the revenues of the System is in the best interest of the City, and the
96 manner in which such refunding is being executed does not make it practicable to

97 make the determinations otherwise required by Section 1207.008(a)(2), Texas
98 Government Code.

99 It is a public purpose and in the best interest of the City to refund the Refunded
100 Bonds in order to achieve a present value debt service savings, with such savings,
101 among other information and terms to be included in a pricing certificate (the
102 “Pricing Certificate”) to be executed by the Pricing Officer (designated below), all
103 in accordance with the provisions of Section 1207.007, Texas Government Code.

104 In accordance with the provisions of Texas Government Code, Chapter 1207,
105 the City Council is delegating to the Pricing Officer (as defined below) the authority
106 to establish the terms and details related to the issuance and sale of the Bonds
107 including: (i) the principal amount of the Refunded Obligations to be refunded,
108 (ii) the form and designation of the Bonds; (iii) the principal amount of the Bonds
109 and the amount of the Bonds to mature in each year; (iv) the dates, price, interest
110 rates, interest payment dates, principal payment dates, and redemption features of
111 the Bonds; and (v) any other details relating to the issuance, sale, delivery, and
112 exchange of the Bonds, all within specified parameters set forth in the Twenty-Third
113 Supplement.

114 The Refunded Notes are to be refunded and refinanced into long-term
115 obligations at this time to enable the City’s Electric Utility Department to continue
116 utilizing its allocated share of Tax-Exempt Notes.

117 The Bonds can and shall be on a parity with the outstanding “Parity Electric
118 Utility Obligations” issued in accordance with and under the terms and provisions
119 of the Master Ordinance and the Prior Supplements.

120 **SECTION 2: AUTHORIZATION; DESIGNATION; PRINCIPAL
121 AMOUNT; PURPOSE.** Revenue bonds of the City shall be and are authorized to
122 be issued in the not to exceed aggregate principal amount set forth in Section 4 of
123 this Twenty-Third Supplement to be designated and bear the title “CITY OF
124 AUSTIN, TEXAS, ELECTRIC UTILITY SYSTEM REFUNDING
125 BONDS, SERIES 2025” (the “Bonds”), for the purpose of refinancing and refunding
126 the Refunded Obligations and paying costs of issuance, in conformity with the
127 Constitution and laws of the State of Texas, including Texas Government Code,
128 Chapters 1207 and 1371.

129 **SECTION 3: FULLY REGISTERED OBLIGATIONS; AUTHORIZED
130 DENOMINATIONS; STATED MATURITIES; DATE.** The Bonds shall be

131 issued as fully registered obligations, without coupons, shall be dated as provided in
132 the Pricing Certificate (the “Bond Date”) and, other than the single fully registered
133 Initial Bond referenced in Section 9, shall be in denominations of \$5,000 or any
134 integral multiple of \$5,000 (within a Stated Maturity), shall be numbered
135 consecutively from One upward and shall become due and payable on May 15 and/or
136 November 15 in each of the years and in principal amounts (the “Stated Maturities”)
137 and bear interest at the rate(s) per annum in accordance with the details of the Bonds
138 as set forth in the Pricing Certificate.

139 The Bonds shall bear interest on the unpaid principal amounts from the date
140 and at the rate(s) per annum as specified in the Pricing Certificate (calculated on the
141 basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be
142 payable on May 15 and November 15 in each year, commencing on the date
143 specified in the Pricing Certificate, until maturity or prior redemption.

144 **SECTION 4: DELEGATION OF AUTHORITY TO PRICING
145 OFFICER.**

146 (a) As authorized by Sections 1207.007 and 1371.053, Texas Government
147 Code, the City Manager, Chief Financial Officer, or City Treasurer of the City (any
148 of them, the “Pricing Officer”) is authorized to act on behalf of the City in selling
149 and delivering the Bonds and carrying out the other procedures specified in the
150 Twenty-Third Supplement, including selection of the principal amount of the
151 Refunded Notes to be refunded, the specified maturities or series in whole or in part
152 of the Refunded Bonds to be refunded, determining the aggregate principal amount
153 of the Bonds, the date of the Bonds, any additional or different designation or title
154 by which the Bonds shall be known, the price at which the Bonds will be sold, the
155 years in which the Bonds will mature, the principal amount to mature in each of such
156 years, the rate of interest to be borne by each such maturity, the first interest payment
157 date, the price and terms upon and at which the Bonds shall be subject to redemption
158 prior to maturity at the option of the City, as well as any mandatory sinking fund
159 redemption provisions, the designation of a paying agent/registrar, the designation
160 of an escrow agent satisfying the requirements of Chapter 1207, the terms of any
161 bond insurance applicable to the Bonds, and all other matters relating to the issuance,
162 sale, and delivery of the Bonds all of which shall be specified in the Pricing
163 Certificate, provided that:

164 (i) the aggregate original principal amount of the Bonds shall not exceed
165 \$475,000,000;

166 (ii) the true interest cost rate for the Bonds shall not exceed ____%;

167 (iii) with respect to the Bonds issued to refund the Refunded Bonds, the
168 refunding must produce a net present value debt service savings of at least 4.25%,
169 net of any contribution by the City; and

170 (iv) the maximum maturity for the Bonds shall not extend beyond November
171 15, 20__.

172 The execution of the Pricing Certificate shall evidence the sale date of the
173 Bonds by the City to the Purchasers (defined in (b) of this Section).

174 (b) In establishing the aggregate principal amount of the Bonds, the Pricing
175 Officer shall establish an amount not exceeding the amount authorized in Subsection
176 (a)(i) above, which shall be sufficient in amount to provide for the purposes for
177 which the Bonds are authorized and to pay costs of issuing the Bonds. This
178 delegation shall expire if not exercised by the Pricing Officer by April 23, 2026. The
179 Bonds shall be sold by negotiated sale to the underwriter(s) named in the Pricing
180 Certificate (the "Purchasers"), at such price and with and subject to such terms as set
181 forth in the Pricing Certificate. A finding or determination made by the Pricing
182 Officer acting under authority of this Twenty-Third Supplement with respect to all
183 matters relating to the sale of the Bonds and the refunding of the Refunded
184 Obligations shall have the same force and effect as a finding or determination made
185 by the Council.

186 **SECTION 5: TERMS OF PAYMENT; PAYING AGENT/**
187 **REGISTRAR.** The principal of, premium, if any, and the interest on the Bonds,
188 due and payable by reason of maturity, redemption or otherwise, shall be payable
189 only to the Holders appearing on the registration and transfer books maintained by
190 the Paying Agent/Registrar and the payment shall be in any coin or currency of the
191 United States of America, which at the time of payment is legal tender for the
192 payment of public and private debts, and shall be without exchange or collection
193 charges to the Holders.

194 The selection and appointment of the Paying Agent/Registrar for the Bonds
195 shall be as provided in the Pricing Certificate. Books and records relating to the
196 registration, payment, exchange and transfer of the Bonds (the "Security Register")
197 shall at all times be kept and maintained on behalf of the City by the Paying
198 Agent/Registrar, all as provided in the Twenty-Third Supplement, in accordance
199 with the terms and provisions of a "Paying Agent/Registrar Agreement,"

200 substantially in the form attached as **Exhibit A**, and the reasonable rules and
201 regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing
202 Officer is authorized to execute and deliver the Paying Agent/Registrar Agreement
203 in connection with the delivery of the Bonds. The City covenants to maintain and
204 provide a Paying Agent/Registrar at all times until the Bonds are paid and
205 discharged, and any successor Paying Agent/Registrar shall be a bank, trust
206 company, financial institution or other entity qualified and authorized to serve in the
207 capacity and perform the duties and services of Paying Agent/Registrar. Upon any
208 change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly
209 cause a written notice of the change to be sent to each Holder by United States Mail,
210 first class postage prepaid, which notice shall also give the address of the new Paying
211 Agent/Registrar.

212 Principal of and premium, if any, on the Bonds shall be payable at the Stated
213 Maturities or redemption of the Bonds, only upon presentation and surrender of the
214 Bonds to the Paying Agent/Registrar at its designated office provided in the Pricing
215 Certificate (the “Designated Payment/Transfer Office”). Interest on the Bonds shall
216 be paid to the Holders whose names appear in the Security Register at the close of
217 business on the Record Date (the last business day of the month next preceding each
218 interest payment date), and such interest shall be paid by the Paying Agent/Registrar
219 (i) by check sent United States Mail, first class postage prepaid, to the address of the
220 Holder recorded in the Security Register or (ii) by such other method, acceptable to
221 the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder.
222 If the date for the payment of the principal of or interest on the Bonds shall be a
223 Saturday, Sunday, a legal holiday, or a day when banking institutions in the city
224 where the Designated Payment/Transfer Office of the Paying Agent/ Registrar is
225 located are authorized by law or executive order to close, then the date for such
226 payment shall be the next succeeding day which is not such a Saturday, Sunday,
227 legal holiday, or day when banking institutions are authorized to close; and payment
228 on such date shall have the same force and effect as if made on the original date
229 payment was due.

230 In the event of a non-payment of interest on one or more maturities on a
231 scheduled payment date, and for thirty (30) days following, a new record date for
232 such interest payment for such maturity or maturities (a “Special Record Date”) will
233 be established by the Paying Agent/Registrar, if and when funds for the payment of
234 such interest have been received from the City. Notice of the Special Record Date
235 and of the scheduled payment date of the past due interest (which shall be 15 days
236 after the Special Record Date) shall be sent at least five business days prior to the

237 Special Record Date by United States Mail, first class postage prepaid, to the address
238 of each Holder of the maturity or maturities appearing on the Security Register at
239 the close of business on the last business day next preceding the date of mailing of
240 any notice.

241 **SECTION 6: REGISTRATION, TRANSFER, EXCHANGE OF**
242 **BONDS; PREDECESSOR BONDS.** The Paying Agent/Registrar shall obtain,
243 record, and maintain in the Security Register the name and address of each registered
244 owner of the Bonds issued under and pursuant to the provisions of the Twenty-Third
245 Supplement. Any Bond may, in accordance with its terms and the terms of the
246 Twenty-Third Supplement, be transferred or exchanged for Bonds of other
247 authorized denominations upon the Security Register by the Holder, in person or by
248 the authorized agent of such person, upon surrender of the Bond to the Paying
249 Agent/Registrar for cancellation, accompanied by a written instrument of transfer or
250 request for exchange executed by the Holder or by the authorized agent of the person,
251 in form satisfactory to the Paying Agent/Registrar.

252 Upon surrender for transfer of any Bond (other than the Initial Bond(s)
253 authorized in Section 9 of the Twenty-Third Supplement) at the Designated
254 Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar
255 shall register and deliver, in the name of the designated transferee or transferees, one
256 or more new Bonds, executed on behalf of, and furnished by, the City of authorized
257 denominations and having the same Stated Maturity and of a like aggregate principal
258 amount as the Bond or Bonds surrendered for transfer.

259 At the option of the Holder, Bonds (other than the Initial Bond(s) authorized
260 in Section 9 of the Twenty-Third Supplement) may be exchanged for other Bonds
261 of authorized denominations and having the same Stated Maturity, bearing the same
262 rate of interest and of like aggregate principal amount as the Bonds surrendered for
263 exchange, upon surrender of the Bonds to be exchanged at the Designated
264 Payment/Transfer Office. Whenever any Bonds are surrendered for exchange, the
265 Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of,
266 and furnished by, the City, to the Holder requesting the exchange.

267 All Bonds issued upon any transfer or exchange of Bonds shall be delivered
268 at the Designated Payment/Transfer Office, or sent by United States Mail, first class
269 postage prepaid, to the Holder and, upon the delivery of such Bonds, the same shall
270 be valid obligations of the City, evidencing the same obligation to pay, and entitled

271 to the same benefits under the Twenty-Third Supplement, as the Bonds surrendered
272 in the transfer or exchange.

273 All transfers or exchanges of Bonds shall be made without expense or service
274 charge to the Holder, except as otherwise provided in the Twenty-Third Supplement,
275 except that the Paying Agent/Registrar shall require payment by the Holder
276 requesting the transfer or exchange of any tax or other governmental charges
277 required to be paid with respect to the transfer or exchange.

278 Bonds canceled by reason of an exchange or transfer pursuant to the
279 provisions of the Twenty-Third Supplement are defined to be “Predecessor Bonds,”
280 evidencing all or a portion, as the case may be, of the same obligation to pay
281 evidenced by the Bond or Bonds registered and delivered in the exchange or transfer.
282 Additionally, the term “Predecessor Bonds” shall include any mutilated, lost,
283 destroyed, or stolen Bond for which a replacement Bond has been issued, registered
284 and delivered in lieu of a mutilated, lost, destroyed or stolen Bond pursuant to
285 Section 19 of the Twenty-Third Supplement and the new replacement Bond shall be
286 considered to evidence the same obligation as the mutilated, lost, destroyed, or stolen
287 Bond.

288 Neither the City nor the Paying Agent/Registrar shall be required to transfer
289 or exchange any Bond called for redemption, in whole or in part, within 45 days of
290 the date fixed for redemption of the Bond; provided, however, a limitation of transfer
291 shall not be applicable to an exchange by the Holder of the unredeemed balance of
292 a Bond called for redemption in part.

293 **SECTION 7: BOOK-ENTRY-ONLY TRANSFERS AND TRANS-**
294 **ACTIONS.** Notwithstanding the provisions contained in Sections 5 and 6 of the
295 Twenty-Third Supplement relating to the payment and transfer/exchange of the
296 Bonds, the City approves and authorizes the use of “Book-Entry-Only” securities
297 clearance, settlement and transfer system provided by The Depository Trust
298 Company (DTC), a limited purpose trust company organized under the laws of the
299 State of New York, in accordance with the operational arrangements referenced in
300 the Blanket Issuer Letter of Representations, by and between the City and DTC (the
301 “Depository Agreement”).

302 Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall
303 be deposited with DTC who shall hold Bonds for its participants (the “DTC
304 Participants”). While the Bonds are held by DTC under the Depository Agreement,
305 the Holder of the Bonds on the Security Register for all purposes, including payment

306 and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the
307 ownership of each actual purchaser or owner of each Bond (the “Beneficial
308 Owners”) being recorded in the records of DTC and DTC Participants.

309 In the event DTC determines to discontinue serving as securities depository
310 for the Bonds or otherwise ceases to provide book entry clearance and settlement of
311 securities transactions in general or the City determines that DTC is incapable of
312 properly discharging its duties as securities depository for the Bonds, the City
313 covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in
314 definitive form and provide for the Bond certificates to be issued and delivered to
315 DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds
316 in definitive form shall be assigned, transferred and exchanged on the Security
317 Register maintained by the Paying Agent/Registrar and payment of such Bonds shall
318 be made in accordance with the provisions of Sections 5 and 6 of the Twenty-Third
319 Supplement.

320 **SECTION 8: EXECUTION; REGISTRATION.** The Bonds shall be
321 executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal
322 reproduced or impressed on the Bonds and countersigned by the City Clerk. The
323 signature of said officers on the Bonds may be manual or facsimile. Bonds bearing
324 the manual or facsimile signatures of individuals who are or were the proper officers
325 of the City on the date of adoption of the Twenty-Third Supplement shall be deemed
326 to be executed on behalf of the City, notwithstanding that any individual executing
327 the Bonds shall cease to hold the named offices at the time of delivery of the Bonds
328 to the initial purchaser(s) and with respect to Bonds delivered in subsequent
329 exchanges and transfers, all as authorized and provided in Texas Government Code,
330 Chapter 1201.

331 No Bond shall be entitled to any right or benefit under the Twenty-Third
332 Supplement, or be valid or obligatory for any purpose, unless there appears on such
333 Bond either a certificate of registration substantially in the form provided in Section
334 10(c), manually executed by the Comptroller of Public Accounts of the State of
335 Texas or his or her authorized agent, or a certificate of registration substantially in
336 the form provided in Section 10(d), manually executed by an authorized officer,
337 employee or representative of the Paying Agent/Registrar, and either such certificate
338 upon any Bond signed shall be conclusive evidence, and the only evidence, that the
339 Bond has been certified, registered and delivered.

340 **SECTION 9: INITIAL BOND(S).** The Bonds shall be initially issued either
341 (i) as a single fully registered bond in the total principal amount specified in the
342 Pricing Certificate with principal amounts to become due and payable as provided
343 in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds,
344 being one bond for each stated maturity in the applicable principal amount and
345 denomination and to be numbered consecutively from T-1 and upward (the “Initial
346 Bond(s)”). In either case, the Initial Bond(s) shall be registered in the name of the
347 initial purchaser(s) or their designee. The Initial Bond(s) shall be the Bonds
348 submitted to the Office of the Attorney General of the State of Texas for approval,
349 certified and registered by the Office of the Comptroller of Public Accounts of the
350 State of Texas and delivered to the initial purchaser(s). Any time after the delivery
351 of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions
352 from the initial purchaser(s), or their designee, shall cancel the Initial Bond(s)
353 delivered and exchange for the Initial Bond(s) definitive Bonds of authorized
354 denominations, Stated Maturities, principal amounts and bearing applicable interest
355 rates for transfer and delivery to the Holders named at the addresses identified for
356 the Holders; all pursuant to and in accordance with the written instructions from the
357 initial purchaser(s), or their designee, and any other information and documentation
358 as the Paying Agent/Registrar may reasonably require.

359 **SECTION 10: FORMS.**

360 (a) Forms Generally. The Bonds, the Registration Certificate of the
361 Comptroller of Public Accounts of the State of Texas, the Certificate of Registration,
362 and the form of Assignment to be printed on each of the Bonds, shall be substantially
363 in the forms set forth in this Section with appropriate insertions, omissions,
364 substitutions, and other variations as are permitted or required by the Twenty-Third
365 Supplement and the Pricing Certificate and may have such letters, numbers, or other
366 marks of identification (including identifying numbers and letters of the Committee
367 on Uniform Securities Identification Procedures of the American Bankers
368 Association) and such legends and endorsements (including insurance legends if the
369 Bonds, or any maturities of the Bonds, are purchased with insurance and any
370 reproduction of an opinion of counsel) on such Bonds as may, consistently with the
371 provisions of the Twenty-Third Supplement, be established by the City or
372 determined by the Pricing Officer or officers executing such Bonds as evidenced by
373 their execution of such Bonds. The Pricing Certificate shall set forth the final and
374 controlling terms of the Bonds. Any portion of the text of any Bonds may be set
375 forth on the reverse of the Bond, with an appropriate reference on the face of the
376 Bond.

377 The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, or
378 engraved, typewritten, photocopied or otherwise reproduced in any other similar
379 manner, all as determined by the officers executing the Bonds as evidenced by their
380 execution of the Bonds.

381 (b) Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

Bond Date:
, 2025

Interest Rate:

Stated Maturity:

CUSIP NO:

Registered Owner:

Principal Amount:

388 The City of Austin (the "City"), a body corporate and municipal corporation
389 in the Counties of Travis, Williamson and Hays, State of Texas, for value received,
390 promises to pay to the registered owner named above, or their registered assigns (the
391 "Registered Owner"), solely from the revenues identified in this Bond, on the Stated
392 Maturity date shown above the Principal Amount stated above (or so much of the
393 Principal Amount as shall not have been paid upon prior redemption), and to pay
394 interest (computed on the basis of a 360-day year of twelve 30-day months) on the
395 unpaid Principal Amount of this Bond from the interest payment date next preceding
396 the "Registration Date" of this Bond appearing below (unless this Bond bears a
397 "Registration Date" as of an interest payment date, in which case it shall bear interest
398 from such date, or unless the "Registration Date" of this Bond is prior to the initial
399 interest payment date, in which case it shall bear interest from the _____)
400 at the per annum rate of interest specified above; such interest being payable on May
401 15 and November 15 of each year, commencing May 15, 2026. Principal of this
402 Bond is payable at its Stated Maturity or redemption to the Registered Owner, upon

403 presentation and surrender, at the Designated Payment/Transfer Office of the Paying
404 Agent/Registrar executing the registration certificate appearing on this Bond, or its
405 successor; provided, however, while this Bond is registered to Cede & Co., the
406 payment of principal upon a partial redemption of the principal amount of this Bond
407 may be accomplished without presentation and surrender of this Bond. Interest is
408 payable to the registered owner of this Bond (or one or more Predecessor Bonds, as
409 defined in the Twenty-Third Supplement) whose name appears on the "Security
410 Register" maintained by the Paying Agent/Registrar at the close of business on the
411 "Record Date", which is the last business day of the month next preceding each
412 interest payment date and interest shall be paid by the Paying Agent/Registrar by
413 check sent United States Mail, first class postage prepaid, to the address of the
414 registered owner recorded in the Security Register or by such other method,
415 acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense
416 of, the registered owner. If the date for the payment of the principal of or interest on
417 the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking
418 institutions in the city where the Designated Payment/Transfer Office of the Paying
419 Agent/ Registrar is located are authorized by law or executive order to close, then
420 the date for such payment shall be the next succeeding day which is not such a
421 Saturday, Sunday, legal holiday, or day when banking institutions are authorized to
422 close; and payment on such date shall have the same force and effect as if made on
423 the original date payment was due. All payments of principal of, premium, if any,
424 and interest on this Bond shall be without exchange or collection charges to the
425 Registered Owner and in any coin or currency of the United States of America which
426 at the time of payment is legal tender for the payment of public and private debts.

427 This Bond is one of the series specified in its title issued in the aggregate
428 principal amount of \$ _____ ("Bonds") for the purpose of refinancing and
429 refunding the Refunded Obligations (identified and defined in the Twenty-Third
430 Supplement) and paying costs of issuance, in conformity with the Constitution and
431 laws of the State of Texas, including Texas Government Code, Chapters 1207 and
432 1371, and pursuant to a Master Ordinance and Twenty-Third Supplement adopted
433 by the City Council of the City, together with the Pricing Certificate executed
434 pursuant thereto (collectively referred to as the "Ordinances").

435 [The Bonds maturing on the dates identified below (the "Term Bonds") are
436 subject to mandatory redemption prior to maturity with funds on deposit in the Debt
437 Service Fund established and maintained for the payment of such Bonds in the
438 Ordinances, and shall be redeemed in part prior to maturity at the price of par and

439 accrued interest on such Bonds to the date of redemption, and without premium, on
440 the dates and in the principal amounts as follows:

441

<u>Term Bonds due Redemption Date</u>	<u>Principal Amount</u>	<u>Term Bonds due Redemption Date</u>	<u>Principal Amount</u>
15, 20	\$,000	15, 20	\$,000
15, 20*	\$,000	15, 20	\$,000
		15, 20*	\$,000

442 *maturity

443 The particular Term Bonds of a stated maturity to be redeemed on each
444 redemption date shall be chosen by lot by the Paying Agent/Registrar; provided,
445 however, that the principal amount of Term Bonds for a stated maturity required to
446 be redeemed on a mandatory redemption date may be reduced, at the option of the
447 City, by the principal amount of Term Bonds of like stated maturity which, at least
448 50 days prior to the mandatory redemption date, (1) shall have been acquired by the
449 City at a price not exceeding the principal amount of such Term Bonds plus accrued
450 interest to the date of purchase, and delivered to the Paying Agent/Registrar for
451 cancellation or (2) shall have been redeemed pursuant to the optional redemption
452 provisions appearing below and not previously credited against a mandatory
453 redemption requirement.]

454 The Bonds maturing on and after _____ 15, 20____, may be redeemed
455 prior to their Stated Maturity, at the option of the City, in whole or in part in
456 principal amounts of \$5,000 or any integral multiple of \$5,000 (and if within a Stated
457 Maturity by lot by the Paying Agent/Registrar), on _____ 15, 20____
458 or on any date thereafter at the redemption price of par plus accrued interest to the
459 redemption date.

460 At least 30 days prior to the date fixed for any redemption of Bonds, the City
461 shall cause a written notice of such redemption to be sent by United States Mail, first
462 class postage prepaid, to the registered owners of each Bond to be redeemed at the
463 address shown on the Security Register and subject to the terms and provisions
464 contained in the Ordinance. If a Bond (or any portion of its principal sum) shall
465 have been called for redemption and notice of such redemption given, then upon
466 such redemption date such Bond (or the portion of its principal sum to be redeemed)
467 shall become due and payable, and interest thereon shall cease to accrue from and

468 after said redemption date, provided moneys for the payment of the redemption price
469 and the interest on the principal amount to be redeemed to the date of redemption
470 are held for the purpose of such payment by the Paying Agent/Registrar.

471 If a portion of the principal amount of a Bond is to be redeemed and the
472 registered owner is someone other than Cede & Co., payment of the redemption
473 price of such principal amount shall be made to the registered owner only upon
474 presentation and surrender of such Bond to the Designated Payment/Transfer Office
475 of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest
476 rate in any authorized denominations provided by the Ordinances for the then
477 unredeemed balance of the principal sum of such Bond or Bonds will be issued to
478 the registered owner, without charge. If a Bond is selected for redemption, in whole
479 or in part, the City and the Paying Agent/Registrar shall not be required to transfer
480 such Bond to an assignee of the registered owner within 45 days of such redemption
481 date; provided, however, such limitation on transferability shall not be applicable to
482 an exchange by the registered owner of the unredeemed balance of a Bond redeemed
483 in part.

484 With respect to any optional redemption of the Bonds, unless the Paying
485 Agent/Registrar has received funds sufficient to pay the principal and premium, if
486 any, and interest on the Bonds to be redeemed before giving of a notice of
487 redemption, the notice may state the City may condition redemption on the receipt
488 of such funds by the Paying Agent/Registrar on or before the date fixed for the
489 redemption, or on the satisfaction of any other prerequisites set forth in the notice of
490 redemption. If a conditional notice of redemption is given and such prerequisites to
491 the redemption and sufficient funds are not received, the notice shall be of no force
492 and effect, the City shall not redeem the Bonds and the Paying Agent/Registrar shall
493 give notice, in the manner in which the notice of redemption was given, that the
494 Bonds have not been redeemed.

495 The Bonds are special obligations of the City payable solely from and,
496 together with the Previously Issued Electric Utility Obligations currently
497 Outstanding, equally and ratably secured by a parity lien on and pledge of, the Net
498 Revenues of the Electric Utility System in the manner provided in the Ordinances.
499 Additionally, the Bonds, together with the Previously Issued Electric Utility
500 Obligations, shall be secured by a lien on the funds, if any, deposited to the credit of
501 the Debt Service Fund and Reserve Fund in accordance with the terms of the
502 Ordinances. The Bonds do not constitute a legal or equitable pledge, charge, lien or
503 encumbrance upon any property of the City or the Electric Utility System, except

504 with respect to the Net Revenues. The holder of this Bond shall never have the right
505 to demand payment of this obligation out of any funds raised or to be raised by
506 taxation.

507 Subject to satisfying the related terms and conditions, the City has reserved
508 the right to issue additional revenue obligations payable from and equally and ratably
509 secured by a parity lien on and pledge of the Net Revenues of the Electric Utility
510 System, in the same manner and to the same extent as the Previously Issued Electric
511 Utility Obligations and the Bonds.

512 Reference is made to the Ordinances, copies of which are on file with the
513 Paying Agent/Registrar, and to all of the provisions of which the Holder by the
514 acceptance of this Bond assents, for definitions of terms; the description of and the
515 nature and extent of the security for the Bonds; the properties constituting the
516 Electric Utility System; the Net Revenues pledged to the payment of the principal of
517 and interest on the Bonds; the nature and extent and manner of enforcement of the
518 lien and pledge securing the payment of the Bonds; the terms and conditions for the
519 issuance of additional revenue obligations; the terms and conditions relating to the
520 transfer or exchange of this Bond; the conditions upon which the Ordinances may
521 be amended or supplemented with or without the consent of the Holders; the rights,
522 duties, and obligations of the City and the Paying Agent/Registrar; the terms and
523 provisions upon which the liens, pledges, charges and covenants made in the
524 Ordinances may be discharged at or prior to the maturity of this Bond, and this Bond
525 deemed to be no longer Outstanding under the Ordinances; and for the other terms
526 and provisions contained in the Ordinances. Capitalized terms used in this Bond
527 have the same meanings assigned in the Ordinances.

528 This Bond, subject to certain limitations contained in the Ordinances, may be
529 transferred on the Security Register only upon its presentation and surrender at the
530 Designated Payment/Transfer Office of the Paying Agent/Registrar, with the
531 Assignment on this Bond endorsed by, or accompanied by a written instrument of
532 transfer in form satisfactory to the Paying Agent/Registrar executed by, the
533 Registered Owner, or the authorized agent of the Registered Owner. When a transfer
534 on the Security Register occurs, one or more new fully registered Bonds of the same
535 Stated Maturity, of authorized denominations, bearing the same rate of interest, and
536 of the same aggregate principal amount will be issued by the Paying Agent/Registrar
537 to the designated transferee or transferees.

538 The City and the Paying Agent/Registrar, and any agent of either, may treat
539 the registered owner of this Bond whose name appears on the Security Register (i)
540 on the Record Date as the owner entitled to payment of interest on this Bond, (ii) on
541 the date of surrender of this Bond as the owner entitled to payment of principal of
542 this Bond at its Stated Maturity or its redemption, in whole or in part, and (iii) on
543 any other date as the owner for all other purposes, and neither the City nor the Paying
544 Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.
545 In the event of non-payment of interest on a scheduled payment date and for 30 days
546 after such event, a new record date for such interest payment (a “Special Record
547 Date”) will be established by the Paying Agent/Registrar, if and when funds for the
548 payment of such interest have been received from the City. Notice of the Special
549 Record Date and of the scheduled payment date of the past due interest (which shall
550 be 15 days after the Special Record Date) shall be sent at least five business days
551 prior to the Special Record Date by United States Mail, first class postage prepaid,
552 to the address of each Holder appearing on the Security Register at the close of
553 business on the last business day next preceding the date of mailing of such notice.

554 It is certified, recited, represented and covenanted that the City is an organized
555 and legally existing municipal corporation under and by virtue of the Constitution
556 and laws of the State of Texas; that the issuance of the Bonds is authorized by law;
557 that all acts, conditions and things required to exist and be done precedent to and in
558 the issuance of the Bonds to render the same lawful and valid obligations of the City
559 have been properly done, have happened and have been performed in regular and
560 due time, form and manner as required by the Constitution and laws of the State of
561 Texas, and the Ordinances; that the Bonds do not exceed any constitutional or
562 statutory limitation; and that due provision has been made for the payment of the
563 Bonds by a pledge of the Net Revenues of the Electric Utility System. If any
564 provision in this Bond or any application of any provision of this Bond shall be
565 invalid, illegal, or unenforceable, the validity, legality, and enforceability of the
566 remaining provisions and applications shall not in any way be affected or impaired
567 by any such action. The terms and provisions of this Bond and the Ordinances shall
568 be construed in accordance with and shall be governed by the laws of the State of
569 Texas.

570 IN WITNESS WHEREOF, the City Council of the City has caused this Bond
571 to be executed under the official seal of the City.

572
573

CITY OF AUSTIN, TEXAS

574

575

Mayor

576 COUNTERSIGNED:

577

578

579 City Clerk

580 (SEAL)

581 (c) Form of Registration Certificate of Comptroller of Public Accounts
582 to Appear on Initial Bond(s) only.

OFFICE OF THE COMPTROLLER)
OF PUBLIC ACCOUNTS) REGISTER NO. _____
THE STATE OF TEXAS)

585 I HEREBY CERTIFY that this Bond has been examined, certified as to
586 validity and approved by the Attorney General of the State of Texas, and registered
587 by the Comptroller of Public Accounts of the State of Texas.

588 WITNESS my signature and seal of office this _____ .

589
590
591

Acting Comptroller of Public Accounts
of the State of Texas

592 (SEAL)

593 (d) Form of Certificate of Paying Agent/Registrar to Appear on Definitive
594 Bonds only.

595 REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

596 This Bond has been issued and registered in the name of the Registered
597 Owner shown above under the provisions of the within mentioned Ordinances; the
598 bond or bonds of the above entitled and designated series originally delivered having

599 been approved by the Attorney General of the State of Texas and registered by the
600 Comptroller of Public Accounts, as shown by the records of the Paying
601 Agent/Registrar.

602 The designated offices of the Paying Agent/Registrar in _____
603 _____ is the Designated Payment/Transfer Office for this Bond.

604 Registration Date: _____, _____
605 _____ as Paying Agent/Registrar
606 By _____
607 Authorized Signature
608

609 (e) Form of Assignment.

610 **ASSIGNMENT**

611 FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto
612 (Print or typewrite name, address, and zip code of
613 transferee): _____

614 _____
615 (Social Security or other identifying number: _____)
616 the within Bond and all rights under this Bond, and irrevocably constitutes and
617 appoints _____ attorney to transfer the within Bond on
618 the books kept for registration of the Bonds, with full power of substitution in the
619 premises.

DATED:

Signature guaranteed:

NOTICE: The signature on this assignment
must correspond with the name of the
registered owner as it appears on the face of
the within Bond in every particular.

620 (f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of
621 this Section, except that the form of a single fully registered Initial Bond shall be
622 modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

Bond Date:
_____, 2025

Registered Owner:

Principal Amount:

629 The City of Austin (the "City"), a body corporate and municipal corporation
630 in the Counties of Travis, Williamson and Hays, State of Texas, for value received,
631 promises to pay to the registered owner named above, or their registered assigns (the
632 "Registered Owner"), solely from the revenues identified in this Bond, the Principal
633 Amount above stated on _____ in each of the years and in
634 principal amounts in accordance with the following schedule:

STATED MATURITY	PRINCIPAL AMOUNTS	INTEREST RATE
--------------------	----------------------	------------------

(Information to be inserted from schedule in the Pricing Certificate).

635 (or so much of the principal amount as shall not have been redeemed prior to
636 maturity) and to pay interest, computed on the basis of a 360-day year of twelve 30-
637 day months, on the unpaid principal amounts of this Bond from the _____
638 at the per annum rates of interest specified above; such interest being payable on
639 May 15 and November 15 in each year, commencing May 15, 2026. Principal
640 amounts of this Bond are payable in the year of maturity to the Registered Owner by
641 _____ (the "Paying Agent/Registrar"),
642 upon presentation and surrender, at its designated offices in
643 _____ (the "Designated Payment/Transfer
644 Office"). Interest is payable to the registered owner of this Bond whose name
645 appears on the "Security Register" maintained by the Paying Agent/Registrar at the
646 close of business on the "Record Date", which is the last business day of the month
647 next preceding each interest payment date and interest shall be paid by the Paying

648 Agent/Registrar by check sent United States Mail, first class postage prepaid, to the
649 address of registered owner recorded in the Security Register or by such other
650 method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and
651 expense of, the registered owner. If the date for the payment of the principal of or
652 interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when
653 banking institutions in the city where the Designated Payment/Transfer Office of the
654 Paying Agent/ Registrar is located are authorized by law or executive order to close,
655 then the date for such payment shall be the next succeeding day which is not such a
656 Saturday, Sunday, legal holiday, or day when banking institutions are authorized to
657 close; and payment on such date shall have the same force and effect as if made on
658 the original date payment was due. All payments of principal of, premium, if any,
659 and interest on this Bond shall be without exchange or collection charges to the
660 registered owner and in any coin or currency of the United States of America which
661 at the time of payment is legal tender for the payment of public and private debts.

662 **SECTION 11: CRITERIA FOR ISSUANCE OF PARITY ELECTRIC
663 UTILITY OBLIGATIONS.** The City has provided certain criteria and established
664 certain covenants and agreements in relation to the issuance of Parity Electric Utility
665 Obligations of the Electric Utility System pursuant to the Master Ordinance. The
666 Twenty-Third Supplement provides for the authorization, issuance, sale, delivery,
667 form, characteristics, provisions of payment and redemption, and security of the
668 Bonds which are a series of Parity Electric Utility Obligations. The Master
669 Ordinance is incorporated by reference and made a part of the Twenty-Third
670 Supplement for all purposes, except to the extent modified and supplemented by the
671 Prior Supplements and the Twenty-Third Supplement, and the Bonds are Parity
672 Electric Utility Obligations under the Master Ordinance and the Prior Supplements.
673 The City determines that it will have sufficient funds to meet the financial
674 obligations of the Electric Utility System, including sufficient Net Revenues to pay
675 the Annual Debt Service Requirements of the Bonds and to meet all financial
676 obligations of the City relating to the Electric Utility System.

677 **SECTION 12: PLEDGE.** The Net Revenues of the Electric Utility System
678 are pledged to the payment of the Bonds, and the Bonds, together with the Previously
679 Issued Electric Utility Obligations currently Outstanding, shall be equally and
680 ratably secured by a parity lien on and pledge of the Net Revenues of the Electric
681 Utility System in accordance with the terms of the Master Ordinance and the
682 Twenty-Third Supplement. Additionally, the Bonds and the Previously Issued
683 Electric Utility Obligations shall be secured by a lien on the funds, if any, deposited
684 to the credit of the Debt Service Fund and the Reserve Fund in accordance with and

685 to the extent required by the terms of the Master Ordinance, the Prior Supplements
686 and the Twenty-Third Supplement. The Bonds are and will be secured by and
687 payable only from the Net Revenues of the Electric Utility System, and are not
688 secured by or payable from a mortgage or deed of trust on any properties, whether
689 real, personal, or mixed, of the Electric Utility System. Council ordains that the
690 Parity Electric Utility Obligations, and the interest on the Parity Electric Utility
691 Obligations, shall constitute a lien on the Net Revenues of the Electric Utility System
692 and shall be valid and binding and fully perfected from and after the date of adoption
693 of the Twenty-Third Supplement without physical delivery or transfer or transfer of
694 control of the Net Revenues, the filing of the Twenty-Third Supplement or any other
695 act; all as provided in Texas Government Code, Chapter 1208. The owners of the
696 Parity Electric Utility Obligations shall never have the right to demand payment out
697 of funds raised or to be raised by taxation, or from any source other than specified
698 in the Master Ordinance, the Prior Supplements and the Twenty-Third Supplement.

699 Texas Government Code, Chapter 1208, applies to the issuance of the Bonds
700 and the pledge of the Net Revenues of the Electric Utility System granted by the
701 City under this Section 12, and this pledge is valid, effective and perfected. If Texas
702 law is amended at any time while the Bonds are Outstanding such that the pledge of
703 the Net Revenues of the Electric Utility System granted by the City under this
704 Section 12 is to be subject to the filing requirements of Texas Business & Commerce
705 Code, Chapter 9, then to preserve to the Registered Owners the perfection of the
706 security interest in said pledge, the City agrees to take such measures as it determines
707 are reasonable and necessary under Texas law to comply with the applicable
708 provisions of Texas Business & Commerce Code, Chapter 9, and enable a filing to
709 perfect the security interest in this pledge to occur.

710 **SECTION 13: DEBT SERVICE FUND.** By reason of the issuance of the
711 Bonds, the City need not establish any special accounts within the Debt Service Fund
712 and following the delivery of the Bonds, the City agrees and covenants to cause to
713 be deposited to the credit of the Debt Service Fund an amount equal to 100% of the
714 amount required to fully pay the interest on and principal of the Bonds falling due
715 on or before each maturity, mandatory redemption date and interest payment date,
716 and deposits shall be made in substantially equal monthly amounts on or before the
717 14th day of each month beginning on or before the 14th day of the month next
718 following the month the Bonds are delivered to the initial purchaser.

719 The required monthly deposits to the Debt Service Fund for the payment of
720 principal of and interest on the Bonds shall continue to be made in the manner

721 provided in the Twenty-Third Supplement until such time as (i) the total amount on
722 deposit in the Debt Service Fund is equal to the amount required to fully pay and
723 discharge all Parity Electric Utility Obligations then Outstanding or (ii) the Bonds
724 are no longer outstanding, i.e., fully paid as to principal and interest or all the Bonds
725 have been refunded.

726 Accrued interest, if any, received from the initial purchaser(s) of the Bonds
727 shall be deposited in the Debt Service Fund, and shall be taken into consideration
728 and reduce the amount of the monthly deposits that would otherwise be required to
729 be deposited to the credit of such Debt Service Fund from the Net Revenues of the
730 Electric Utility System.

731 **SECTION 14: RESERVE FUND.**

732 (a) Establishment. A Reserve Fund shall not be required to be established
733 or maintained by the City for the payment of the Parity Electric Utility Obligations
734 so long as the “Pledged Net Revenues” of the System for a Fiscal Year equal or
735 exceed 150% of the Annual Debt Service Requirements of the Parity Electric Utility
736 Obligations due and payable in such Fiscal Year. If for any Fiscal Year such
737 “Pledged Net Revenues” do not exceed 150% of the Annual Debt Service
738 Requirements of the Parity Electric Utility Obligations, the City shall be obligated
739 to establish and maintain on the books of the City a separate fund or account
740 designated as the “Electric Utility System Revenue Obligation Reserve Fund” (the
741 “Reserve Fund”). Upon being established and except as provided in subsection (f)
742 below, the amount on deposit to the credit of the Reserve Fund shall be maintained
743 for the benefit of the owners of the Parity Electric Utility Obligations. There shall
744 be deposited into the Reserve Fund any Reserve Fund Obligations so designated by
745 the City. The amounts deposited to the credit of the Reserve Fund shall be in a special
746 fund maintained at an official depository of City. Reserve Fund Obligations in the
747 Reserve Fund shall be used for the purpose of retiring the last of the Parity Electric
748 Utility Obligations as they become due or paying principal of and interest on the
749 Parity Electric Utility Obligations when and to the extent the amounts in the Debt
750 Service Fund are insufficient for such purpose.

751 When a Reserve Fund is required to be established as noted above and while
752 the same is required to be maintained, the Required Reserve Amount to be
753 accumulated and maintained in such Fund shall be determined and redetermined as
754 follows:

(i) 10% of the Maximum Debt Service Requirement for all Parity Electric Utility Obligations then Outstanding if the Pledged Net Revenues for the previous Fiscal Year were less than 150% of the annual Debt Service Requirement for such Fiscal Year, but greater than or equal to 140% of the annual Debt Service Requirement for such Fiscal Year;

(ii) 20% of the Maximum Debt Service Requirement for all Parity Electric Utility Obligations then Outstanding if the Pledged Net Revenues for the previous Fiscal Year were less than 140% of the annual Debt Service Requirement for such Fiscal Year, but greater than or equal to 130% of the annual Debt Service Requirement for such Fiscal Year;

(iii) 30% of the Maximum Debt Service Requirement for all Parity Electric Utility Obligations then Outstanding if the Pledged Net Revenues for the previous Fiscal Year were less than 130% of the annual Debt Service Requirement for such Fiscal Year, but greater than or equal to 120% of the annual Debt Service Requirement for such Fiscal Year;

(iv) 40% of the Maximum Debt Service Requirement for all Parity Electric Utility Obligations then Outstanding if the Pledged Net Revenues for the previous Fiscal Year were less than 120% of the annual Debt Service Requirement for such Fiscal Year, but greater than or equal to 110% of the annual Debt Service Requirement for such Fiscal Year;

(v) 50% of the Maximum Debt Service Requirement for all Parity Electric Utility Obligations then Outstanding if the Pledged Net Revenues for the previous Fiscal Year were less than 110% of the annual Debt Service Requirement for such Fiscal Year;

If at any time the City is required to fund the Required Reserve Amount, or to increase the Required Reserve Amount pursuant to a Supplement, the Required Reserve Amount or increase in the Required Reserve Amount, as applicable, may be funded in up to 12 substantially equal consecutive monthly deposits commencing not later than the month following that receipt of audited financial statements for the System for the preceding Fiscal Year.

(b) Credit Facility. The City may initially fund the Reserve Fund or replace or substitute a Credit Facility for cash or Eligible Investments on deposit in the Reserve Fund or in substitution for or replacement of any existing Credit Facility. Upon such replacement or substitution, the cash or Eligible Investments on deposit

789 in the Reserve Fund, taken together with the face amount of any existing Credit
790 Facilities, in excess of the Required Reserve Amount may be withdrawn by the City,
791 at its option, and transferred to the System Fund unless such excess was funded with
792 the proceeds of sale of Parity Electric Utility Obligations in which case such excess
793 shall be deposited to the credit of the Debt Service Fund; provided that the face
794 amount of any Credit Facility may be reduced at the option of the City in lieu of such
795 transfer.

796 (c) Priority of Draws. If the City is required to make a withdrawal from
797 the Reserve Fund for any of the purposes described in this Section, the City shall
798 promptly notify the issuer of the Credit Facility of the necessity for a withdrawal
799 from the Reserve Fund, and shall make the withdrawal FIRST from available
800 moneys and cash resulting from the sale or liquidation of Eligible Investments then
801 on deposit in the Reserve Fund, and NEXT from a drawing under any Credit Facility
802 to the extent of the deficiency.

803 In the event of a draw on a Credit Facility, the City shall reimburse the issuer
804 of the Credit Facility for such draw, in accordance with the terms of any agreement
805 pursuant to which the Credit Facility is issued, from Net Revenues, however, such
806 reimbursement from Net Revenues shall be subject to the provisions of Section 14(d)
807 below and shall be subordinate and junior in right of payment to the payment of
808 principal of and premium, if any, and interest on the Parity Electric Utility
809 Obligations.

810 (d) Reserve Amount Deficiency. In the event of a deficiency in the
811 Reserve Fund, or in the event that on the date of termination or expiration of any
812 Credit Facility there is not on deposit in the Reserve Fund sufficient Reserve Fund
813 Obligations, all in an aggregate amount at least equal to the Required Reserve
814 Amount, then the City shall, subject to satisfying or making provision for the uses
815 having a priority on the Gross Revenues before any deposits for the payment and
816 security of the Parity Electric Utility Obligations and after making required deposits
817 to the Debt Service Fund in accordance with the terms of the Twenty-Third
818 Supplement and any Supplement, cause the aggregate Required Reserve Amount
819 then required to be on deposit in the Reserve Fund to be fully restored within 12
820 months from the date the deficiency, termination or expiration occurred by (i)
821 making substantially equal cash deposits to the Reserve Fund on or before the last
822 day of each month from the available Net Revenues, (ii) depositing Eligible
823 Investments or Credit Facility to the credit of the Reserve Fund or (iii) a combination
824 of (i) and (ii).

825 (e) Excess Required Reserve. As Parity Electric Utility Obligations
826 secured by the Reserve Fund are paid, redeemed or defeased and cease to be
827 Outstanding under the terms of the Ordinance or a Supplement, the Required
828 Reserve Amount may be recalculated and redetermined, and any Reserve Fund
829 Obligations on deposit in the Reserve Fund in excess of the Required Reserve
830 Amount may be withdrawn and transferred, at the option of the City, to (i) the
831 System Fund, if an amount equal to such excess was funded with Net Revenues, or
832 (ii) the Debt Service Fund.

833 (f) Application to Commercial Paper/Credit Agreements. For the
834 purpose of this Section, the Reserve Fund shall not secure Parity Electric Utility
835 Obligations issued in the form of commercial paper, or any Credit Agreement issued
836 in support of such Parity Electric Utility Obligations issued in the form of
837 commercial paper, except as otherwise may be provided in any Supplement.

838 **SECTION 15: PAYMENTS OR CREDITS TO THE GENERAL FUND**
839 **OF THE CITY.** In accordance with the provisions authorized by law and after the
840 payments have been made in full in accordance with the provisions of Section 6 of
841 the Master Ordinance, there shall be paid over or credited to the General Fund of the
842 City (for general purposes of the City), to the extent Net Revenues of the System are
843 available in the System Fund, an amount in cash not to exceed 12% of the three-year
844 average gross revenues of the System deposited in the System Fund less power
845 supply revenue and district energy & cooling revenue, calculated using the current
846 year estimate and the previous two years' actual revenues from the City's Annual
847 Comprehensive Financial Report. The percentage of gross revenues of the Systems
848 to be paid over or credited to the General Fund of the City each Fiscal Year shall be
849 determined (within the 12% limitation) by the governing body of the City.

850 **SECTION 16: PAYMENT OF BONDS.** On or before the first scheduled
851 interest payment date, and on or before each interest payment date and principal
852 payment date after the first scheduled interest payment while any of the Bonds are
853 Outstanding, the City shall cause an amount to be transferred to the Paying
854 Agent/Registrar in immediately available funds from the Debt Service Fund
855 sufficient to pay such interest on and such principal amount of the Bonds, as shall
856 become due on such dates, respectively, at maturity or by redemption prior to
857 maturity. The Paying Agent/Registrar shall destroy all paid Bonds and furnish the
858 City with an appropriate certificate of cancellation or destruction.

859 SECTION 17: COVENANTS TO MAINTAIN TAX EXEMPT STATUS.

860 (a) Definitions. When used in this Section, the following terms have the
861 following meanings:

862 “Closing Date” means the date on which the Bonds are first
863 authenticated and delivered to the purchasers against payment therefor.

864 “Code” means the Internal Revenue Code of 1986, as amended
865 by all legislation, if any, effective on or before the Closing Date.

866 “Computation Date” has the meaning set forth in Section
867 1.148-1(b) of the Regulations.

868 “Gross Proceeds” means any proceeds as defined in Section
869 1.148-1(b) of the Regulations, and any replacement proceeds as defined
870 in Section 1.148-1(c) of the Regulations, of the Bonds.

871 “Investment” has the meaning set forth in Section 1.148-1(b) of
872 the Regulations.

873 “Nonpurpose Investment” means any investment property, as
874 defined in section 148(b) of the Code, in which Gross Proceeds of the
875 Bonds are invested and which is not acquired to carry out the
876 governmental purposes of the Bonds.

877 “Rebate Amount” has the meaning set forth in Section 1.148-1(b)
878 of the Regulations.

879 “Regulations” means any proposed, temporary, or final Income
880 Tax Regulations issued pursuant to Sections 103 and 141 through 150
881 of the Code, and Section 103 of the Internal Revenue Code of 1954,
882 which are applicable to the Bonds. Any reference to any specific
883 Regulation shall also mean, as appropriate, any proposed, temporary or
884 final Income Tax Regulation designed to supplement, amend or replace
885 the specific Regulation referenced.

886 “Yield” of (1) any Investment has the meaning set forth in
887 Section 1.148-5 of the Regulations and (2) the Bonds has the meaning
888 set forth in Section 1.148-4 of the Regulations.

889 (b) Not to Cause Interest to Become Taxable. The City shall not use,
890 permit the use of, or omit to use Gross Proceeds or any other amounts (or any

891 property the acquisition, construction or improvement of which is to be financed
892 directly or indirectly with Gross Proceeds) in a manner which, if made or omitted,
893 respectively, would cause the interest on any Bond to become includable in the gross
894 income, as defined in section 61 of the Code, of the owner of any Bond for federal
895 income tax purposes. Without limiting the generality of the preceding, unless and
896 until the City receives a written opinion of counsel nationally recognized in the field
897 of municipal bond law to the effect that failure to comply with such covenant will
898 not adversely affect the exemption from federal income tax of the interest on any
899 Bond, the City shall comply with each of the specific covenants in this Section.

900 (c) No Private Use or Private Payments. Except as permitted by section
901 141 of the Code and the Regulations and rulings thereunder, the City shall at all
902 times prior to the last Stated Maturity of Bonds:

903 (1) exclusively own, operate and possess all property the
904 acquisition, construction or improvement of which is to be financed or
905 refinanced directly or indirectly with Gross Proceeds of the Bonds
906 (including property financed with Gross Proceeds of the Refunded
907 Bonds) and not use or permit the use of such Gross Proceeds (including
908 all contractual arrangements with terms different than those applicable
909 to the general public) or any property acquired, constructed or improved
910 with such Gross Proceeds in any activity carried on by any person or
911 entity (including the United States or any agency, department and
912 instrumentality of the United States) other than a state or local
913 government, unless such use is solely as a member of the general
914 public; and

915 (2) not directly or indirectly impose or accept any charge or
916 other payment by any person or entity who is treated as using Gross
917 Proceeds of the Bonds or any property the acquisition, construction or
918 improvement of which is to be financed or refinanced directly or
919 indirectly with such Gross Proceeds (including property financed with
920 Gross Proceeds of the Refunded Bonds) other than taxes of general
921 application within the City or interest earned on investments acquired
922 with such Gross Proceeds pending application for their intended
923 purposes.

924 (d) No Private Loan. Except to the extent permitted by section 141 of the
925 Code and the Regulations and rulings thereunder, the City shall not use Gross

926 Proceeds of the Bonds to make or finance loans to any person or entity other than a
927 state or local government. For purposes of the preceding covenant, such Gross
928 Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired,
929 constructed or improved with such Gross Proceeds is sold or leased to such person
930 or entity in a transaction which creates a debt for federal income tax purposes; (2)
931 capacity in or service from such property is committed to such person or entity under
932 a take or pay, output or similar contract or arrangement; or (3) indirect benefits, or
933 burdens and benefits of ownership, of such Gross Proceeds or any property acquired,
934 constructed or improved with such Gross Proceeds are otherwise transferred in a
935 transaction which is the economic equivalent of a loan.

936 (e) Not to Invest at Higher Yield. Except to the extent permitted by
937 section 148 of the Code and the Regulations and rulings under the Code and the
938 Regulations, the City shall not at any time prior to the final Stated Maturity of the
939 Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross
940 Proceeds to replace money so invested), if as a result of such investment the Yield
941 from the Closing Date of all Investments acquired with Gross Proceeds (or with any
942 replacement money), whether then held or previously disposed of, exceeds the Yield
943 of the Bonds.

944 (f) Not Federally Guaranteed. Except to the extent permitted by section
945 149(b) of the Code and the Regulations and rulings thereunder, the City shall not
946 take or omit to take any action which would cause the Bonds to be federally
947 guaranteed within the meaning of section 149(b) of the Code and the Regulations
948 and rulings thereunder.

949 (g) Information Report. The City shall timely file the information
950 required by section 149(e) of the Code with the Secretary of the Treasury on Form
951 8038-G or such other form and in such place as the Secretary may prescribe.

952 (h) Rebate of Arbitrage Profits. Except to the extent otherwise provided
953 in section 148(f) of the Code and the Regulations and rulings thereunder:

954 (1) The City shall account for all Gross Proceeds (including
955 all receipts, expenditures and investments of Gross Proceeds) on its
956 books of account separately and apart from all other funds (and receipts,
957 expenditures and investments of all other funds) and shall retain all
958 records of accounting for at least six years after the day on which the
959 last outstanding Bond is discharged. However, to the extent permitted
960 by law, the City may commingle Gross Proceeds of the Bonds with

961 other money of the City, provided that the City separately accounts for
962 each receipt and expenditure of Gross Proceeds and the obligations
963 acquired with Gross Proceeds.

964 (2) Not less frequently than each Computation Date, the City
965 shall calculate the Rebate Amount in accordance with rules set forth in
966 section 148(f) of the Code and the Regulations and rulings thereunder.
967 The City shall maintain such calculations with its official transcript of
968 proceedings relating to the issuance of the Bonds until six years after
969 the final Computation Date.

970 (3) As additional consideration for the purchase of the Bonds
971 by the Purchasers and the loan of the money represented thereby and to
972 induce such purchase by measures designed to insure the excludability
973 of the interest on the Bonds from the gross income of the owners of the
974 Bonds for federal income tax purposes, the City shall pay to the United
975 States out of the Debt Service Fund or its general fund, as permitted by
976 applicable Texas statute, regulation or opinion of the Attorney General
977 of the State of Texas, the amount that when added to the future value
978 of previous rebate payments made for the Bonds equals (i) in the case
979 of a Final Computation Date as defined in Section 1.148-3(e)(2) of the
980 Regulations, 100% of the Rebate Amount on such date; and (ii) in the
981 case of any other Computation Date, 90% of the Rebate Amount on
982 such date. In all cases, the rebate payments shall be made at the times,
983 in the installments, to the place and in the manner as is or may be
984 required by section 148(f) of the Code and the Regulations and rulings
985 thereunder, and shall be accompanied by Form 8038-T or such other
986 forms and information as is or may be required by Section 148(f) of the
987 Code and the Regulations and rulings thereunder.

988 (4) The City shall exercise reasonable diligence to assure that
989 no errors are made in the calculations and payments required by
990 paragraphs (2) and (3), and if an error is made, to discover and promptly
991 correct such error within a reasonable amount of time thereafter (and in
992 all events within 180 days after discovery of the error), including
993 payment to the United States of any additional Rebate Amount owed to
994 it, interest on the Rebate Amount, and any penalty imposed under
995 Section 1.148-3(h) of the Regulations.

1017 (l) Current Refunding. The payment and discharge of the Refunded
1018 Obligations will occur within ninety (90) days after the issuance of the Bonds and
1019 the portion of the Bonds issued to refund such obligations is a current refunding.

1020 SECTION 18: AMENDMENT OF TWENTY-THIRD SUPPLEMENT.

1027 (1) Make any change in the maturity of any of the Outstanding Bonds;
1028 (2) Reduce the rate of interest borne by any of the Outstanding Bonds;
1029 (3) Reduce the amount of the principal payable on the Bonds;

1030 (4) Modify the terms of payment of principal of, premium, if any, or
1031 interest on the Outstanding Bonds or impose any conditions with respect to such
1032 payment;

1033 (5) Affect the rights of the owners of less than all of the Bonds then
1034 Outstanding;

1035 (6) Amend this subsection (a) of this Section; or

1036 (7) Change the minimum percentage of the principal amount of Bonds
1037 necessary for consent to any amendment;

1038

1039 unless such amendment or amendments be approved by the owners of all of
1040 the Bonds affected by the change or amendment then Outstanding.

1041 (b) Notice of Amendment Requiring Consent. If at any time the City shall
1042 desire to amend the Twenty-Third Supplement under this Section, the City shall
1043 cause notice of the proposed amendment to be published in a financial newspaper or
1044 journal published in the City of New York, New York, and a newspaper of general
1045 circulation in the City, once during each calendar week for at least two successive
1046 calendar weeks. The notice shall briefly set forth the nature of the proposed
1047 amendment and shall state that a copy is on file with the Paying Agent for the
1048 Bonds. Publication is not required, however, if notice in writing is given by mail,
1049 first class postage prepaid, to each owner of the Bonds.

1050 (c) Time Period for Obtaining Consent. If within one year from (i) the
1051 date of the first publication of notice or (ii) the date of the mailing by the Paying
1052 Agent of written notice to the owners of the Bonds, whichever date first occurs if
1053 both methods of giving notice are used, the City shall receive an instrument or
1054 instruments executed by the owners of at least a majority in Outstanding Principal
1055 Amount of the Bonds consenting to and approving such amendment in substantially
1056 the form of the copy on file with each Paying Agent, the governing body of the City
1057 may pass the amendatory ordinance in substantially the same form.

1058 (d) Revocation of Consent. Any consent given by the owner of a Bond
1059 pursuant to the provisions of this Section shall be irrevocable for a period of six
1060 months from the date for measuring the one year period to obtain consents noted in
1061 paragraph (c) above, and shall be conclusive and binding upon all future owners of
1062 the same Bonds during such period. At any time after six months from the date for
1063 measuring the one year period to obtain consents noted in paragraph (c) above, a
1064 consent may be revoked by the owner who gave the consent, or by a successor in
1065 title, by filing written notice of a revocation with the Paying Agent for such Bonds

1066 and the City, but such revocation shall not be effective if the owners of at least a
1067 majority in Outstanding Principal Amount of the then Outstanding Bonds as
1068 determined in accordance with this Section have, prior to the attempted revocation,
1069 consented to and approved the amendment.

1070 (e) Implementation of Amendment. Upon the passage of any amendatory
1071 ordinance pursuant to the provisions of this Section, the Twenty-Third Supplement
1072 shall be deemed to be amended, and the respective rights, duties and obligations of
1073 the City under the Twenty-Third Supplement and all the owners of then Outstanding
1074 Bonds shall be determined, exercised and enforced under the Twenty-Third
1075 Supplement, subject in all respects to such amendment.

1076 (f) Amendment without Consent. The preceding provisions of this
1077 Section notwithstanding, the City by action of its governing body may amend the
1078 Twenty-Third Supplement for any one or more of the following purposes:

1079 (1) To vest the management and control of the Electric Utility
1080 System in an independent board of trustees or similar board pursuant
1081 to authority conferred by Texas Government Code, Section 1502.070
1082 et seq. or other law now or hereafter enacted;

1083 (2) To add to the covenants and agreements of the City in the
1084 Twenty-Third Supplement contained, other covenants and agreements
1085 thereafter to be observed, grant additional rights or remedies to the
1086 owners of the Bonds or to surrender, restrict or limit any right or power
1087 in the Twenty-Third Supplement reserved to or conferred upon the
1088 City;

1089 (3) To make such provisions for the purpose of curing any
1090 ambiguity, or curing, correcting or supplementing any defective
1091 provision contained in the Twenty-Third Supplement, or in regard to
1092 clarifying matters or questions arising under the Twenty-Third
1093 Supplement, as are necessary or desirable and not contrary to or
1094 inconsistent with the Twenty-Third Supplement and which shall not
1095 adversely affect the interests of the owners of the Bonds then
1096 outstanding;

1097 (4) To modify any of the provisions of the Twenty-Third
1098 Supplement in any other respect whatever, provided that such
1099 modification shall be, and be expressed to be, effective only after all

1100 the Bonds outstanding at the date of the adoption of such modification
1101 shall cease to be outstanding;

1102 (5) Reserved;

1103 (6) To make such changes, modifications or amendments as
1104 may be necessary or desirable to allow the owners of the Bonds to avail
1105 themselves of a book entry system for payments, transfers and other
1106 matters relating to the Bonds, which changes, modifications or
1107 amendments are not contrary to or inconsistent with other provisions of
1108 the Twenty-Third Supplement and which shall not adversely affect the
1109 interests of the owners of the Bonds;

1110 (7) To make any changes, modifications or amendments as
1111 may be necessary or desirable to obtain or maintain the granting of a
1112 rating on the Bonds by a Rating Agency or to obtain or maintain a
1113 Credit Agreement or a Credit Facility; and

1114 (8) To make any other changes, modifications or amendments
1115 as may be necessary or desirable, which shall not adversely affect the
1116 interests of the owners of the Bonds, in order, to the extent permitted
1117 by law, to facilitate the economic and practical utilization of interest
1118 rate swap agreements, foreign currency exchange agreements, or
1119 similar types of agreements with respect to the Bonds. Notice of any
1120 amendment may be published by the City in the manner described in
1121 clause (b) of this Section; provided, however, that the publication of
1122 notice shall not constitute a condition precedent to the adoption of the
1123 amendatory ordinance and the failure to publish such notice shall not
1124 adversely affect the implementation of the amendment as adopted
1125 pursuant to such amendatory ordinance.

1126 (g) Ownership. For the purpose of this Section, the ownership and other
1127 matters relating to all Bonds shall be established by the Security Register maintained
1128 by the Paying Agent. Furthermore, the owner of any Bonds insured as to the
1129 payment of principal of and interest shall be deemed to be the insurance company
1130 providing the insurance coverage on such Bonds; provided such amendment to the
1131 Twenty-Third Supplement is an amendment that can be made with the consent of a
1132 majority in Outstanding Principal Amount of the Bonds and such insurance company
1133 is not in default with respect to its obligations under its insurance policy.

1134 SECTION 19: FINAL DEPOSITS; GOVERNMENTAL
1135 **OBLIGATIONS.** All or any of the Bonds shall be deemed to be paid, retired and
1136 no longer outstanding within the meaning of the Twenty-Third Supplement when
1137 payment of the principal of the Bonds, redemption premium, if any, on the Bonds,
1138 plus interest on the Bonds to the due date (whether such due date be by reason of
1139 maturity or otherwise) either (i) shall have been made or caused to be made in
1140 accordance with the terms of the Bonds (including the giving of any required notice
1141 of redemption), or (ii) shall have been provided by irrevocably depositing with, or
1142 making available to, the Paying Agent/Registrar, in trust and irrevocably set aside
1143 exclusively for such payment, (1) money sufficient to make such payment or (2)
1144 Government Obligations, certified by an independent public accounting firm of
1145 national reputation, to mature as to principal and interest in such amounts and at such
1146 times as will insure the availability, without reinvestment, of sufficient money to
1147 make such payment, and all necessary and proper fees, compensation and expenses
1148 of the Paying Agent/Registrar with respect to which such deposit is made shall have
1149 been paid or the payment thereof provided for the satisfaction of the Paying
1150 Agent/Registrar. At such time as a Bond shall be deemed to be paid under this
1151 Twenty-Third Supplement, it shall no longer be secured by or entitled to the benefit
1152 of the Twenty-Third Supplement, the Master Ordinance or a lien on and pledge of
1153 the Net Revenues of the Electric Utility System, and shall be entitled to payment
1154 solely from the money or Government Obligations held by the Paying
1155 Agent/Registrar.

1156 Any moneys so deposited with the Paying Agent/Registrar, or an authorized
1157 escrow agent, may at the direction of the City also be invested in Government
1158 Obligations, maturing in the amounts and at the times as set forth in this Section,
1159 and all income from all Government Obligations not required for the payment of the
1160 Bonds, and interest on the Bonds, with respect to which the money has been
1161 deposited, shall be turned over to the City or deposited as directed by the City.

1162 Notwithstanding any other provisions of the Twenty-Third Supplement, all
1163 money or Government Obligations set aside and held in trust pursuant to the
1164 provisions of this Section for the payment of the Bonds, the redemption premium, if
1165 any, and interest on the Bonds, shall be applied to and used for the payment of those
1166 Bonds, the redemption premium, if any, and interest thereon and the income on the
1167 money or Government Obligations shall not be considered to be "Gross Revenues"
1168 under the Twenty-Third Supplement.

1169 **SECTION 20: DAMAGED, MUTILATED, LOST, STOLEN, OR**
1170 **DESTROYED BONDS.** If any Outstanding Bond is damaged, mutilated, lost,
1171 stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed,
1172 and delivered, a new bond of the same principal amount, maturity, and interest rate,
1173 as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for the
1174 Bond in the manner provided in this Section. An application for the replacement of
1175 damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying
1176 Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant
1177 for a replacement bond shall furnish to the City and to the Paying Agent/Registrar
1178 security or indemnity as may be required by them to save each of them harmless
1179 from any loss, theft or damage with respect to any Bond being replaced. Also, in
1180 every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the
1181 City and to the Paying Agent/Registrar evidence to their satisfaction of the loss,
1182 theft, or destruction of the Bond, as the case may be. In every case of damage or
1183 mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for
1184 cancellation the Bond so damaged or mutilated. Prior to the issuance of any
1185 replacement bond, the Paying Agent/Registrar shall charge the owner of the Bond
1186 with all legal, printing, and other expenses in connection with its replacement. Every
1187 replacement bond issued pursuant to the provisions of this Section by virtue of the
1188 fact that any Bond is lost, stolen, or destroyed shall constitute a contractual
1189 obligation of the City whether or not the lost, stolen, or destroyed Bond shall be
1190 found at any time, or be enforceable by anyone, and shall be entitled to all the
1191 benefits of the Twenty-Third Supplement equally and proportionately with any and
1192 all other Bonds issued under the Twenty-Third Supplement.

1193 Notwithstanding the preceding provisions of this Section, if any Bond shall
1194 have matured, and no default has occurred which is then continuing in the payment
1195 of the principal of, redemption premium, if any, or interest on the Bond, the City
1196 may authorize the payment of the same (without surrender thereof except in the case
1197 of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided
1198 security or indemnity is furnished as above provided in this Section. Furthermore,
1199 in accordance with Texas Government Code, Section 1206.022, this Section shall
1200 constitute authority for the issuance of any replacement bond without necessity of
1201 further action by the governing body of the City or any other body or person, and
1202 the duty of the replacement of the bonds is authorized and imposed upon the Paying
1203 Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver
1204 replacement bonds in the form and manner and with the effect, as provided in Section
1205 6 of the Twenty-Third Supplement for Bonds issued in exchange for other Bonds.

1206 **SECTION 21: TWENTY-THIRD SUPPLEMENT TO CONSTITUTE A**
1207 **CONTRACT; EQUAL SECURITY.** In consideration of the acceptance of the
1208 Bonds, the Twenty-Third Supplement shall be deemed to be and shall constitute a
1209 contract between the City and the Holders from time to time of the Bonds and the
1210 pledge made in the Twenty-Third Supplement by the City and the covenants and
1211 agreements set forth in the Twenty-Third Supplement to be performed by the City
1212 shall be for the equal and proportionate benefit, security, and protection of all
1213 Holders, without preference, priority, or distinction as to security or otherwise of any
1214 of the Bonds over any of the others by reason of time of issuance, sale, or maturity
1215 of the Bond or otherwise for any cause, except as expressly provided in or permitted
1216 by the Twenty-Third Supplement.

1217 **SECTION 22: CONTINUING DISCLOSURE UNDERTAKING.**

1218 (a) *Definitions.* As used in this Section, the following terms have the
1219 meanings ascribed to such terms below:

1220 “*Financial Obligation*” means a (a) debt obligation; (b) derivative instrument
1221 entered into in connection with, or pledged as security or a source of payment for,
1222 an existing or planned debt obligation; or (c) guarantee of a debt obligation or any
1223 such derivative instrument; provided that “financial obligation” shall not include
1224 municipal securities as to which a final official statement (as defined in the Rule)
1225 has been provided to the MSRB consistent with the Rule.

1226 “*MSRB*” means the Municipal Securities Rulemaking Board.

1227 “*Rule*” means SEC Rule 15c2-12, as amended from time to time.

1228 “*SEC*” means the United States Securities and Exchange Commission.

1229 (b) *Annual Reports.* The City shall provide annually to the MSRB (1)
1230 within six months after the end of each fiscal year of the City beginning in the year
1231 stated in the Pricing Certificate, financial information and operating data with
1232 respect to the City of the general type included in the final Official Statement
1233 approved by the Pricing Officer and described in the Pricing Certificate, and (2) if
1234 not provided as part such financial information and operating data in item (1),
1235 audited financial statements of the City within 12 months after the end of each fiscal
1236 year beginning in the year stated in the Pricing Certificate. If the audit of such
1237 financial statements is not complete within 12 months after any such fiscal year end,
1238 then the City shall file unaudited financial statements within such twelve-month

1239 period and audited financial statements for the applicable fiscal year, when and if
1240 the audit report on such statements becomes available. Any financial statements to
1241 be provided shall be (i) prepared in accordance with the accounting principles
1242 described in the Pricing Certificate or such other accounting principles as the City
1243 may be required to employ from time to time pursuant to state law or regulation, and
1244 (ii) audited, if the City commissions an audit of such statements and the audit is
1245 completed within the period during which they must be provided.

1246 If the City changes its fiscal year, it will notify the MSRB of the change (and
1247 of the date of the new fiscal year end) prior to the next date by which the City
1248 otherwise would be required to provide financial information and operating data
1249 pursuant to this Section.

1250 The financial information and operating data to be provided pursuant to this
1251 Section may be set forth in full in one or more documents or may be included by
1252 specific reference to any document available to the public on the MSRB's Internet
1253 Web site or filed with the SEC.

1254 (c) *Notice of Certain Events.* The City shall provide notice of any of the
1255 following events with respect to the Bonds to the MSRB in a timely manner and not
1256 more than 10 Business Days after occurrence of the event:

- 1257 (1) Principal and interest payment delinquencies;
- 1258 (2) Non-payment related defaults, if material;
- 1259 (3) Unscheduled draws on debt service reserves reflecting financial
1260 difficulties;
- 1261 (4) Unscheduled draws on credit enhancements reflecting financial
1262 difficulties;
- 1263 (5) Substitution of credit or liquidity providers, or their failure to perform;
- 1264 (6) Adverse tax opinions, the issuance by the Internal Revenue Service of
1265 proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form
1266 5701-TEB), or other material notices or determinations with respect to the tax status
1267 of the Bonds, or other material events affecting the tax status of the Bonds;
- 1268 (7) Modifications to rights of holders of the Bonds, if material;
- 1269 (8) Bond calls, if material, and tender offers;
- 1270 (9) Defeasances;
- 1271 (10) Release, substitution, or sale of property securing repayment of the
1272 Bonds, if material;
- 1273 (11) Rating changes;

1274 (12) Bankruptcy, insolvency, receivership, or similar event of the City,
1275 which shall occur as described below;

1276 (13) The consummation of a merger, consolidation, or acquisition involving
1277 the City or the sale of all or substantially all of its assets, other than in the ordinary
1278 course of business, the entry into of a definitive agreement to undertake such an
1279 action or the termination of a definitive agreement relating to any such actions, other
1280 than pursuant to its terms, if material;

1281 (14) Appointment of a successor or additional paying agent/registrar or the
1282 change of name of a paying agent/registrar, if material;

1283 (15) Incurrence of a Financial Obligation of the City, if material, or
1284 agreement to covenants, events of default, remedies, priority rights, or other similar
1285 terms of a Financial Obligation of the City, any of which affect security holders, if
1286 material; and

1287 (16) Default, event of acceleration, termination event, modification of terms,
1288 or other similar events under the terms of a Financial Obligation of the City, any of
1289 which reflect financial difficulties.

1290

1291 For these purposes, (a) any event described in the immediately preceding
1292 paragraph 12 is considered to occur when any of the following occur: the
1293 appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding
1294 under the United States Bankruptcy Code or in any other proceeding under state or
1295 federal law in which a court or governmental authority has assumed jurisdiction over
1296 substantially all of the assets or business of the City, or if such jurisdiction has been
1297 assumed by leaving the existing governing body and officials or officers in
1298 possession but subject to the supervision and orders of a court or governmental
1299 authority, or the entry of an order confirming a plan of reorganization, arrangement,
1300 or liquidation by a court or governmental authority having supervision or jurisdiction
1301 over substantially all of the assets or business of the City and (b) the City intends the
1302 words used in the immediately preceding paragraphs (15) and (16) and the definition
1303 of Financial Obligation in this Section to have the means ascribed to them in SEC
1304 Release No. 34-83885, dated August 20, 2018.

1305 The City shall notify the MSRB, in a timely manner, of any failure by the City
1306 to provide financial information or operating data in accordance with this Section by
1307 the time required by this Section.

1308 (d) *Filings with the MSRB.* All financial information, operating data,
1309 financial statements, notices, and other documents provided to the MSRB in
1310 accordance with this Section shall be provided in an electronic format prescribed by

1311 the MSRB and shall be accompanied by identifying information as prescribed by the
1312 MSRB.

1313 (e) Limitations, Disclaimers, and Amendments. The City shall be
1314 obligated to observe and perform the covenants specified in this Section with respect
1315 to the City and the Bonds while, but only while, the City remains an “obligated
1316 person” with respect to the Bonds within the meaning of the Rule, except that the
1317 City in any event will give the notice required by subsection (c) of this Section of
1318 any Bond calls and defeasance that cause the City to be no longer such an “obligated
1319 person.”

1320 The provisions of this Section are for the sole benefit of the Holders and
1321 beneficial owners of the Bonds, and nothing in this Section, express or implied, shall
1322 give any benefit or any legal or equitable right, remedy, or claim to any other person.
1323 The City undertakes to provide only the financial information, operating data,
1324 financial statements, and notices which it has expressly agreed to provide pursuant
1325 to this Section and does not undertake to provide any other information that may be
1326 relevant or material to a complete presentation of the financial results, condition, or
1327 prospects of the City or the State of Texas or undertake to update any information
1328 provided in accordance with this Section or otherwise, except as expressly provided
1329 in this Section. The City does not make any representation or warranty concerning
1330 such information or its usefulness to a decision to invest in or sell Bonds at any future
1331 date.

1332 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE
1333 HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER
1334 PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN
1335 WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER
1336 NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT
1337 SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY
1338 SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY
1339 SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR
1340 SPECIFIC PERFORMANCE.

1341 No default by the City in observing or performing its obligations under this
1342 Section shall constitute a breach of or default under this Twenty-Third Supplement
1343 for purposes of any other provision of this Twenty-Third Supplement.

1344 Nothing in this Section is intended or shall act to disclaim, waive, or otherwise
1345 limit the duties of the City under federal and state securities laws.

1346 Notwithstanding any provisions in this Twenty-Third Supplement to the
1347 contrary, the provisions of this Section may be amended by the City from time to
1348 time to adapt to changed circumstances resulting from a change in legal
1349 requirements, a change in law, or a change in the identity, nature, status, or type of
1350 operations of the City, but only if (1) the provisions of this Section, as so amended,
1351 would have permitted an underwriter to purchase or sell Bonds in the primary
1352 offering of the Bonds in compliance with the Rule, taking into account any
1353 amendments or interpretations of the Rule to the date of the amendment, as well as
1354 such changed circumstances, and (2) either (a) the Holders of a majority in aggregate
1355 principal amount (or any greater amount required by any other provision of the
1356 Twenty-Third Supplement that authorizes the amendment) of the Outstanding Bonds
1357 consent to the amendment or (b) a Person that is unaffiliated with the City and the
1358 State of Texas (such as nationally recognized bond counsel) determines that the
1359 amendment will not materially impair the interests of the Holders and beneficial
1360 owners of the Bonds. The provisions of this Section may also be amended from time
1361 to time or repealed by the City if the SEC amends or repeals the applicable provisions
1362 of the Rule or a court of final jurisdiction determines that such provisions are invalid,
1363 but only if and to the extent that reservation of the City's right to do so would not
1364 prevent underwriters of the initial public offering of the Bonds from lawfully
1365 purchasing or selling Bonds in the offering. If the City so amends the provisions of
1366 this Section, it shall include with any amended financial information or operating
1367 data next provided in accordance with subsection (b) an explanation, in narrative
1368 form, of the reasons for the amendment and of the impact of any change in the type
1369 of financial information or operating data so provided.

1370 **SECTION 23: REMEDY IN EVENT OF DEFAULT.** In addition to all
1371 rights and remedies provided by the laws of the State of Texas, the City covenants
1372 and agrees particularly that if the City (a) defaults in payments to be made to the
1373 Debt Service Fund as required by the Twenty-Third Supplement or the Master
1374 Ordinance, (b) defaults in the observance or performance of any other of the
1375 covenants, conditions or obligations set forth in the Twenty-Third Supplement or the
1376 Master Ordinance or (c) the City declares bankruptcy, the Holders of any of the
1377 Bonds shall be entitled to a writ of mandamus issued by a court of proper
1378 jurisdiction, compelling and requiring the City and its officers to observe and
1379 perform any covenant, condition or obligation prescribed in the Twenty-Third
1380 Supplement or the Master Ordinance. No delay or omission to exercise any right or
1381 power accruing upon any default shall impair any such right or power, or shall be
1382 construed to be a waiver of any such default or acquiescence therein, and every such

1383 right and power may be exercised from time to time and as often as may be deemed
1384 expedient.

1385 The specific remedy provided in this Section shall be cumulative of all other
1386 existing remedies and the specification of such remedy shall not be deemed to be
1387 exclusive.

1388 **SECTION 24: SALE OF BONDS; OFFICIAL STATEMENT**
1389 **APPROVAL.** The Bonds are to be sold by the City to the Purchasers in accordance
1390 with a bond purchase agreement (the “Purchase Contract”), the terms and provisions
1391 of which Purchase Contract are to be determined by the Pricing Officer, in
1392 accordance with Section 4 of this Twenty-Third Supplement. With regard to such
1393 terms and provisions of the Purchase Contract, the Pricing Officer may come to an
1394 agreement with the Purchasers on the following, among other matters:

- 1395 (1) The details of the purchase and sale of the Bonds;
- 1396 (2) The details of the public offering of the Bonds by the Purchasers;
- 1397 (3) The details of an Official Statement (and, if appropriate, any
1398 Preliminary Official Statement) relating to the Bonds and the City’s Rule 15c2-12
1399 compliance;
- 1400 (4) A security deposit for the Bonds;
- 1401 (5) The representations and warranties of the City to the Purchasers;
- 1402 (6) The details of the delivery of, and payment for, the Bonds;
- 1403 (7) The Purchasers’ obligations under the Purchase Contract;
- 1404 (8) The certain conditions to the obligations of the City under the Purchase
1405 Contract;
- 1406 (9) Termination of the Purchase Contract;
- 1407 (10) Particular covenants of the City;
- 1408 (11) The survival of representations made in the Purchase Contract;
- 1409 (12) The payment of any expenses relating to the Purchase Contract;

1410 (13) Notices; and

1411 (14) Any and all such other details that are found by the Pricing Officer to
1412 be necessary and advisable for the purchase and sale of the Bonds.

1413 Pricing Officer may execute the Purchase Contract for and on behalf of the
1414 City and as the act and deed of Council.

1415 The Mayor and City Clerk of the City may manually or electronically execute
1416 and deliver for and on behalf of the City copies of a Preliminary Official Statement
1417 and Official Statement, prepared in connection with the offering of the Bonds by the
1418 Purchasers, in final form as may be required by the Purchasers, and the final Official
1419 Statement in the form and content as approved by the Pricing Officer or as manually
1420 or electronically executed by said officials shall be deemed to be approved by
1421 Council and constitute the Official Statement authorized for distribution and use by
1422 the Purchasers.

1423 **SECTION 25: REFUNDED NOTES.**

1424 On or immediately prior to the date of the delivery of the Bonds to the
1425 Purchasers, the Pricing Officer shall also cause to be deposited (and is authorized to
1426 cause to be deposited) with the Deposit Agent (as defined herein) from moneys on
1427 deposit in the debt service fund(s) maintained for the payment of the Refunded Notes
1428 an amount which, together with the proceeds of sale, and the investment earnings
1429 thereon, will be sufficient to pay in full the Refunded Notes (or the amount of
1430 accrued interest due thereon) scheduled to mature and authorized to be redeemed on
1431 the earliest date established in the Pricing Certificate for the redemption of any of
1432 the Refunded Notes (or the earliest date of payment, to be made from moneys in the
1433 Escrow Fund(s), as established in the Pricing Certificate, of the amount of accrued
1434 interest due thereon).

1435 **SECTION 26: ESCROW AGREEMENT.** An “Escrow Agreement” (the
1436 “Escrow Agreement”) by and between the City and an authorized escrow agent (the
1437 “Escrow Agent”), if any agreement is required in connection with the issuance of
1438 the Bonds, shall be attached to, and approved in, the Pricing Certificate. The Escrow
1439 Agreement is authorized to be executed by the Pricing Officer for and on behalf of
1440 the City and as the act and deed of Council; and the Escrow Agreement as executed
1441 by said Pricing Officer shall be deemed approved by Council and constitute the
1442 Escrow Agreement approved by this Twenty-Third Supplement. With regard to the
1443 finalization of certain terms and provisions of the Escrow Agreement, a Pricing

1444 Officer is authorized to come to an agreement with the Escrow Agent on the
1445 following details, among other matters:

1446 (1) The identification of the Refunded Bonds;

1447 (2) The creation and funding of the Escrow Fund or Funds; and

1448 (3) The Escrow Agent's compensation, administration of the Escrow Fund
1449 or Funds, and the settlement of any paying agents' charges relating to the Refunded
1450 Bonds.

1451 Furthermore, appropriate officials of the City in cooperation with the Escrow
1452 Agent are authorized and directed to make the necessary arrangements for the
1453 purchase of the escrowed securities referenced in the Escrow Agreement and the
1454 delivery of the escrowed securities to the Escrow Agent on the day of delivery of the
1455 Bonds to the Purchasers for deposit to the credit of the "CITY OF AUSTIN, TEXAS,
1456 ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2025
1457 ESCROW FUND" (referred to as the "Escrow Fund"), or such other designation as
1458 specified on the Pricing Certificate; all as contemplated and provided in Texas
1459 Government Code, Chapter 1207, as amended, the Twenty-Third Supplement, the
1460 Pricing Certificate, and the Escrow Agreement.

1461 On or immediately prior to the date of the delivery of the Bonds to the
1462 Purchasers, the Pricing Officer shall also cause to be deposited (and is authorized
1463 to cause to be deposited) with the Escrow Agent from moneys on deposit in the debt
1464 service fund(s) maintained for the payment of the Refunded Bonds an amount which,
1465 together with the proceeds of sale, and the investment earnings thereon, will be
1466 sufficient to pay in full the Refunded Bonds (or the amount of accrued interest due
1467 thereon) scheduled to mature and authorized to be redeemed on the earliest date
1468 established in the Pricing Certificate for the redemption of any of the Refunded
1469 Bonds (or the earliest date of payment, to be made from moneys in the Escrow
1470 Fund(s), as established in the Pricing Certificate, of the amount of accrued interest
1471 due thereon).

1472 **SECTION 27: PROCEEDS OF SALE.** Immediately following the delivery
1473 of the Bonds, proceeds of sale designated to pay costs of issuance, proceeds of sale
1474 designated to fund the Reserve Fund shall be disbursed for payment of costs of
1475 issuance or deposited in the Debt Service Fund or the Reserve Fund for the Bonds,
1476 all in accordance with written instructions from the City or its Financial Advisor.
1477 Accrued interest, if any, received from the Purchasers shall be deposited to the credit

1478 of the Debt Service Fund. The balance of the proceeds shall be deposited with the
1479 Escrow Agent for application and disbursement in accordance with the provisions
1480 of the Escrow Agreement or deposited with the paying agent/registrar for the
1481 Refunded Bonds for the payment and redemption of the Refunded Bonds or with the
1482 place of payment (the "Deposit Agent") for the Refunded Notes identified in the
1483 Pricing Certificate.

1484 Furthermore, appropriate officials of the City in cooperation with the Escrow
1485 Agent and the Deposit Agent, as applicable, are authorized and directed to make the
1486 necessary arrangements for the deposit of funds for the payment of the Refunded
1487 Obligations; all as contemplated and provided in Texas Government Code, Chapter
1488 1207, and the Twenty-Third Supplement.

1489 Additionally, the Pricing Officer shall determine the amount of any City
1490 contribution to the refunding from moneys on deposit in the interest and sinking
1491 fund(s) maintained for the payment of the applicable Refunded Notes.

1492 **SECTION 28: CONTROL AND CUSTODY OF BONDS.** The Chief
1493 Financial Officer of the City shall be and is authorized to take and have charge of
1494 all necessary orders and records pending the delivery of the Bonds, and shall take
1495 and have charge and control of the Initial Bond(s) pending the approval by the
1496 Attorney General, the registration by the Comptroller of Public Accounts and the
1497 delivery of the Initial Bond(s) to the Purchasers.

1498 Furthermore, the Mayor, Mayor Pro Tem, City Manager, Chief Financial
1499 Officer, City Clerk, City Treasurer and City Attorney, any one or more of said
1500 officials, are authorized and directed to furnish and execute such documents relating
1501 to the City and its financial affairs as may be necessary for the issuance of the Bonds,
1502 the approval of the Attorney General and registration by the Comptroller of Public
1503 Accounts and, together with the City's financial advisor, bond counsel and the
1504 Paying Agent/Registrar, make the necessary arrangements for printing of definitive
1505 Bonds and the delivery of the Bonds to the Purchasers.

1506 **SECTION 29: LEGAL OPINION.** The obligation of the Underwriters to
1507 accept delivery of the Bonds is subject to being furnished a final opinion of Norton
1508 Rose Fulbright US LLP, Attorneys, approving the Bonds as to their validity, said
1509 opinion to be dated and delivered as of the date of delivery and payment for the
1510 Bonds. A true and correct reproduction of said opinion may be printed on the
1511 definitive Bonds or an executed counterpart of the opinion shall accompany the
1512 global Bonds deposited with DTC.

1513 **SECTION 30: CUSIP NUMBERS.** CUSIP numbers may be printed or
1514 typed on the definitive Bonds. It is expressly provided, however, that the presence
1515 or absence of CUSIP numbers on the definitive Bonds shall be of no significance or
1516 effect as regards the legality of the Bonds and neither the City nor attorneys
1517 approving the Bonds as to legality are to be held responsible for CUSIP numbers
1518 incorrectly printed or typed on the definitive Bonds.

1519 **SECTION 31: PAYMENT AND PERFORMANCE ON BUSINESS
1520 DAYS.** Whenever under the terms of the Twenty-Third Supplement or the Bonds,
1521 the performance date of any provision of the Twenty-Third Supplement or the
1522 Bonds, including the payment of principal of or interest on the Bonds, shall occur
1523 on a day other than a Business Day, then the performance of such provision,
1524 including the payment of principal of and interest on the Bonds, need not be made
1525 on such day but may be performed or paid, as the case may be, on the next
1526 succeeding Business Day with the same force and effect as if made on the date of
1527 performance or payment.

1528 **SECTION 32: LIMITATION OF BENEFITS WITH RESPECT TO
1529 THE TWENTY-THIRD SUPPLEMENT.** With the exception of the rights or
1530 benefits expressly conferred in the Twenty-Third Supplement, nothing expressed or
1531 contained in the Twenty-Third Supplement or implied from the provisions of the
1532 Twenty-Third Supplement or the Bonds is intended or should be construed to confer
1533 upon or give to any person other than the City, the Holders, and the Paying
1534 Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of
1535 or in respect to the Twenty-Third Supplement or any covenant, condition,
1536 stipulation, promise, agreement, or provision contained in the Twenty-Third
1537 Supplement. The Twenty-Third Supplement and all of the covenants, conditions,
1538 stipulations, promises, agreements, and provisions of the Twenty-Third Supplement
1539 are intended to be and shall be for and inure to the sole and exclusive benefit of the
1540 City, the Holders, and the Paying Agent/Registrar as provided in the Twenty-Third
1541 Supplement and in the Bonds.

1542 **SECTION 33: NOTICES TO HOLDERS WAIVER.** Wherever the
1543 Twenty-Third Supplement provides for notice to Holders of any event, such notice
1544 shall be sufficiently given (unless otherwise expressly provided in the Twenty-Third
1545 Supplement) if in writing and sent by United States Mail, first class postage prepaid,
1546 to the address of each Holder appearing in the Security Register at the close of
1547 business on the business day next preceding the mailing of such notice.

1548 In any case where notice to Holders is given by mail, neither the failure to
1549 mail such notice to any particular Holders, nor any defect in any notice so mailed,
1550 shall affect the sufficiency of such notice with respect to all other Bonds. Where the
1551 Twenty-Third Supplement provides for notice in any manner, such notice may be
1552 waived in writing by the Holder entitled to receive such notice, either before or after
1553 the event with respect to which such notice is given, and such waiver shall be the
1554 equivalent of such notice. Waivers of notice by Holders shall be filed with the
1555 Paying Agent/Registrar, but such filing shall not be a condition precedent to the
1556 validity of any action taken in reliance upon such waiver.

1557 **SECTION 34: GOVERNING LAW.** The Twenty-Third Supplement shall
1558 be construed and enforced in accordance with the laws of the State of Texas and the
1559 United States of America.

1560 **SECTION 35: EFFECT OF HEADINGS.** The Section headings in the
1561 Twenty-Third Supplement are for convenience only and shall not affect the
1562 construction of the Twenty-Third Supplement.

1563 **SECTION 36: CONSTRUCTION OF TERMS.** If appropriate in the
1564 context of the Twenty-Third Supplement, words of the singular number shall be
1565 considered to include the plural, words of the plural number shall be considered to
1566 include the singular, and words of the masculine, feminine or neuter gender shall be
1567 considered to include the other genders. References to an officer or designated
1568 position (e.g., City Manager) include any person acting in that capacity, whether on
1569 an acting, interim or permanent basis.

1570 **SECTION 37: SEVERABILITY.** If any provision or the application of any
1571 provision of the Twenty-Third Supplement to any circumstance shall be held to be
1572 invalid, the remainder of the Twenty-Third Supplement and the application of the
1573 Twenty-Third Supplement to other circumstances shall nevertheless be valid, and
1574 the City Council declares that the Twenty-Third Supplement would have been
1575 enacted without such invalid provision.

1576 **SECTION 38: PUBLIC MEETING.** It is officially found, determined, and
1577 declared that the meeting at which the Twenty-Third Supplement is adopted was
1578 open to the public and public notice of the time, place, and subject matter of the
1579 public business to be considered at the meeting, including the Twenty-Third
1580 Supplement, was given; all as required by Texas Government Code, Chapter 551.

1581 **SECTION 39: EFFECTIVE DATE.** The Twenty-Third Supplement is
1582 passed on one reading as authorized by Texas Government Code, Section 1201.028,
1583 and shall be effective immediately upon its passage and adoption.

DRAFT

PASSED AND APPROVED

CITY OF AUSTIN, TEXAS

October 23, 2025

§
§
§

KIRK WATSON
Mayor

APPROVED:

ATTEST:

DEBORAH THOMAS

City Attorney

(City Seal)

ERIKA BRADY
City Clerk

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